

EXHIBIT B



Liberty Mutual Personal Insurance Company
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JON CROSS
16511 MAUREEN DR
KENTON, OH 43326-9525

September 05, 2023

Claim Number: 054402979-01
Date of Incident: 08/05/2023
Insured: JON CROSS, CHRISTINA CROSS
Policy Number: H3V-288-038024-70
Loss Location: 16511 MAUREEN DR, KENTON, OH 433269525
Underwriting Company: Liberty Mutual Personal Insurance Company

Dear Jon and Christina Cross,

We're writing to inform you that we completed our review of your claim based on information provided by you or on your behalf. The following is a summary of our findings and position on coverage for this claim.

The insurance policy provides coverage subject to policy terms and conditions. Based on our review of the policy, there is partial coverage available for your loss as outlined below.

Our Coverage Position

The property at 16511 MAUREEN DR, KENTON, OH experienced a fire which started in the garage and resulted in property damage to the home and contents within. We have issued the fair market value amount of the dwelling at this time per the actual cash value definition and loss settlement of your homeowners policy, as well as a payment for board up services. Our investigation revealed that prior to the fire loss, extensive remodeling was done to the home with repairs starting in March of 2023 and that renovation costs were approximately \$300,000. Our investigation revealed that no notice was given to Liberty Mutual within 90 days of the start of any additions, alterations, or improvements to the home that would increase the replacement cost of the dwelling by \$5,000 or more.

Your base policy limits for Dwelling are \$624,400 and are increased to \$634,390.40 with the Inflation Protection Endorsement. Your base policy provides Replacement Cost Coverage to your dwelling subject to these limits and also provides Actual Cash Value coverage to your personal property subject to non-recoverable depreciation. The Home Protector Plus Endorsement requires that you must inform us within 90 days of the start of any additions, alterations, or improvements to the dwelling in order to be eligible for the revised loss settlement provisions. Our investigation revealed that you are ineligible for the following provision in the Home Protector Plus Endorsement: B. REPLACEMENT COST PROVISION - DWELLING AND PERSONAL PROPERTY as you did not notify Liberty Mutual within 90 days of the start of any additions, alterations, or improvements to the home that would increase the replacement cost of the dwelling by \$5,000 or more. Because you have not met the condition, your personal property is valued at Actual Cash Value subject to non-recoverable depreciation and your Dwelling Limits remain at \$634,390.40.

We list below the grounds under which all aspects of the claim are not covered under the policy, so you may be aware of the factors for the partial denial of coverage. It is our intent to incorporate by reference all of the terms of the policy through this partial denial of coverage letter. Based on the information available to date, the grounds for the partial denial of coverage under the policy, or under applicable law, with respect to the claim, include, but are not limited to, the following:

SECTION I – CONDITIONS

3. Loss Settlement. Covered property losses are settled as follows:

a. Property of the following types:

- (1) Personal property;
- (2) Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
- (3) Structures that are not buildings; at actual cash value at the time of loss but not more than the amount required to repair or replace.

b. Buildings under Coverage A or B at replacement cost without deduction for depreciation, subject to the following:

- (1) If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, after application of deductible and without deduction for depreciation, but not more than the least of the following amounts:

- (a) The limit of liability under this policy that applies to the building;
- (b) The replacement cost of that part of the building damaged for like construction and use on the same premises; or
- (c) The necessary amount actually spent to repair or replace the damaged building.

- 4) We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss according to the provisions of b.(1) and b.(2) above.

HOMEPROTECTOR PLUS ENDORSEMENT

B. REPLACEMENT COST PROVISION - DWELLING AND PERSONAL PROPERTY

You must meet the following additional Section I Condition for this provision to apply:

- 17. Additions or Changes to Dwelling - Notice to Company. You must inform us within 90 days of the start of any additions, alterations or improvements to the dwelling that will increase the replacement cost of the dwelling by \$5,000 or more.

If you meet Condition 17, then Section I, Condition 3. Loss Settlement, is deleted and replaced by the following:

3. Loss Settlement. Covered property losses are settled as follows:



a. The applicable limit of liability for Buildings under Coverage A or B is the replacement cost, after application of deductible and without deduction for depreciation, subject to the following:

(1) We will pay the cost of repair or replacement, but not exceeding:

(b) With respect to Coverage A, an amount not exceeding 20% greater than the limit of liability stated in the declaration, as modified by the Inflation Protection Provision of the policy;

c. Personal property, carpeting and household appliances: at replacement cost but not exceeding the amount needed to repair or replace subject to the following:

(1) Our limit of liability for loss to Personal Property shall not exceed the smallest of the following:

(a) Replacement cost with a similar item of like kind and quality at the time of loss;

We're Here To Help

We understand this is disappointing news and we want to make sure you fully understand our decision. If you have any questions or concerns, please feel free to call or email me anytime.

Sincerely,

JESSICA JOHNSTON
Claims Department

Please be advised that your policy contains the following language.

Section I – Conditions:

8. Suit Against Us. No action can be brought unless the policy provisions have been complied with and the action is started within one year after the date of loss.

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

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